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Distributed by the Division of Medicaid Department of Health and Welfare State of Idaho



From the Idaho Department of Health and Welfare, Division of Medicaid

January 2009

November 21, 2008

MEDICAID INFORMATION RELEASE 2008-21

To: All In-State Hospital Providers

From: Leslie M. Clement, Administrator

Division of Medicaid

Subject: Ambulatory Surgical Center Payment Methodology Change

All state agencies have been directed by the Governor (Executive Order 2008-03) to hold back 1% of their general fund budgets in the current fiscal year due to the downturn in the state and national economy.

As one of our responses to this, the Division of Medicaid recently initiated the following reimbursement change for Idaho Medicaid in-state hospitals:

For claim detail "from" date of service on or after December 1, 2008, the reimbursement payment for outpatient services billed with revenue code 490 will be paid at two and a half times the price on file for the Ambulatory Surgical Center (ASC) level assigned to the provided service. Currently the payment for these services is five times the price on file. There is no change with the current hospital cost settlement process. If the cost settlement shows that your hospital was overpaid for the ASC service, we will ask you to pay back the overpayment amount, and if your hospital is underpaid for the ASC service, we will pay you the underpayment amount.

If you have any questions, please contact the Division of Medicaid's Senior Financial Specialist at (208) 364-1817.

Thank you for your continued participation in the Idaho Medicaid Program.

LMC/rs

Attention PCS Agencies

Idaho Medicaid still requires a physician's order for *children's* Personal Care Services (PCS) according to EPSDT guidelines in the "Medicaid Basic Plan Benefits" section of *IDAPA* (16.03.09.882.02). Please include the "Personal Care Services Care Plan – Part II" (which contains the physician's signature) when you submit the Plan of Care to Regional Medicaid Services.



MEDICAID INFORMATION RELEASE 2008-22

To: Developmental Disability Agency Providers, Psychosocial Rehabilitation

Agencies, and Mental Health Clinics

From: Leslie M. Clement, Administrator

Division of Medicaid

Subject: Weekly Limitations for Psychosocial Rehabilitation, Partial Care, and

Developmental Disability Agency Services

All state agencies have been directed by the Governor (Executive Order 2008-03) to hold back 1% of their general fund budgets in the current fiscal year due to the downturn in the state and national economy.

As one of our responses to this, the Division of Medicaid will initiate the following changes to weekly limits for the following Idaho Medicaid Enhanced Benchmark benefits effective January 1, 2009:

- Psychosocial Rehabilitation Services (PSR) Will be limited to 10 hours per week for individual and group PSR. (The procedure codes for individual and group PSR can be found in the *Medicaid Provider Handbook*, "Rehabilitative Options" section)
- Partial Care Services Will be limited to 12 hours per week.
 (The procedure code for partial care can be found in the *Medicaid Provider Handbook*, "Clinic Service" section)
- Developmental Disabilities Agency (DDA) Services The combination of DDA services listed below will be limited to a maximum of 22 hours per week. (The procedure codes used for DDA services can be found in the Medicaid Provider Handbook, "Rehabilitative Options" section.)
 - Developmental Therapy
 - Intensive Behavioral Intervention (IBI)
 - Psychotherapy Services
 - Supportive Counseling
 - Speech-Language Pathology Services
 - Physical Therapy Services
 - Occupational Therapy Services

This information release replaces information about benefit limits found in the "Rehabilitation Options" and "Clinic Services" sections of your *Idaho Medicaid Provider Handbook* dated July 2008.

If you have any questions about PSR or partial care, please contact the Policy Coordinator for the Office of Mental Health and Substance Abuse, Division of Medicaid at (208) 364-1844.

If you have any questions about DDA services, please contact the Policy Coordinator for the Bureau of Developmental Disability Services, Division of Medicaid at (208) 947-3364.

Thank you for your continued participation in the Idaho Medicaid Program.

LMC/rs

DHW Contact Information

- ◆ DHW Web site www.healthandwelfare. idaho.gov
- ♦ Idaho Careline

2-1-1

Toll free: (800) 926-2588

♦ Medicaid Fraud and Program Integrity Unit PO Box 83720 Boise, ID 83720-0036 Fax: (208) 334-2026 prvfraud@dhw.idaho.gov

Healthy Connections Regional Health Resources Coordinators

- ◆ Region I Coeur d'Alene (208) 666-6766 (800) 299-6766
- ◆ Region II Lewiston (208) 799-5088 (800) 799-5088
- ◆ Region III Caldwell (208) 455-7244 (208) 642-7006 (800) 494-4133
- ♦ Region IV Boise (208) 334-0717 (208) 334-0718 (800) 354-2574
- ♦ Region V Twin Falls (208) 736-4793 (800) 897-4929
- ◆ Region VI Pocatello (208) 235-2927 (800) 284-7857
- ◆ Region VII Idaho Falls (208) 528-5786 (800) 919-9945
- ♦ In Spanish (en Español) (800) 378-3385

Prior Authorization Contact Information

◆ DME Specialist, Medical Care

PO Box 83720 Boise, ID 83720-0036 Phone: (866) 205-7403

Fax: (800) 352-6044 (Attn: DME Specialist)

♦ Pharmacy

PO Box 83720 Boise, ID 83720-0036 Phone: (866) 827-9967 (208) 364-1829

Fax: (208) 364-1864

♦ Qualis Health (Telephonic & Retrospective Reviews)

10700 Meridian Ave. N. Suite 100 Seattle, WA 98133-9075

Phone: (800) 783-9207

Fax: (800) 826-3836 (206) 368-2765

www.qualishealth.org/idaho medicaid.htm

Transportation

◆ Developmental Disability and Mental Health

Phone: (800) 296-0509, #1172 (208) 287-1172

 Other Non-emergent and Out-of-State

Phone: (800) 296-0509, #1173 (208) 287-1173

Fax: (800) 296-0513 (208) 334-4979

♦ Ambulance Review

Phone: (800) 362-7648 (208) 287-1157

Fax: (800) 359-2236 (208) 334-5242

Insurance Verification

♦ HMS

PO Box 2894 Boise, ID 83701 Phone: (800) 873-5875 (208) 375-1132

Fax: (208) 375-1134

December 8, 2008

MEDICAID INFORMATION RELEASE 2008-23

To: Developmental Disabilities Agencies

From: Leslie M. Clement, Administrator

Division of Medicaid

Subject: Governor's Holdbacks and Operational Changes for Developmental

Disability Agencies (DDA) Providers—Adult Services

On September 26, 2008, through Executive Order 2008-03, the Governor directed all state agencies to hold back one percent of their general fund budgets in the current fiscal year due to the downturn in the economy. On December 1, 2008, the Governor directed an additional three percent hold-back through Executive Order 2008-05.

As one of the responses to this, there will be a reduction in the weekly maximum DDA benefit for enhanced benchmark participants from 30 hours a week to 22 hours a week for claims of service dated January 1, 2009, or later.

The department would like you to be aware of some important operational changes that will specifically affect you as a DDA, if you provide adult DDA services.

Weekly Adult DDA Benefit Limitations

- Effective January 1, 2009, new *IDAPA* rules will go into effect to reflect the new 22 hour a week limitation. (The combination of services impacted by the 22 hour a week limit will not change and includes developmental therapy, intensive behavioral intervention, psychotherapy, supportive counseling, physical therapy, occupational therapy, and speech services billed by the DDA).
- If a participant has a current plan authorized to receive more than 22 hours a week of DDA services, a DDA provider will **not** need to request an addendum to reduce DDA services on a participant's current individual service plan (ISP). However, beginning January 1, 2009, reimbursement is not allowed for more than 22 hours of any combination of DDA services for any participant.
- Adding or deleting, or changing a participant goal on an ISP relevant to DDA services will still require an addendum.
- Before January 1, 2009, providers serving participants who are currently receiving
 more than 22 hours a week of DDA benefits should work with the participant and the
 person-centered planning team to determine which goals and/or objectives need to be
 modified or deleted in order to comply with the new benefit limitation.
- The DDA provider requirements and qualifications have not changed.
- Individual service plans approved after December 31, 2008, will not be prior authorized for more than 22 hours a week.
- Adult day care services delivered by a DDA are not effected by the 22 hour a week limit.
- Community supported employment services are not included in the 22 hour a week limit

This information release will replace information contained in the *Medicaid Provider Handbook*, "Rehabilitation Section", for Developmental Disability Agency Services.

Thank you for participating in the Idaho Medicaid Program.

LMC/pg

Postpartum Care

The Medicaid Program Integrity Unit would like to remind providers that CPT code 59430 Postpartum care only (separate procedure), is for services rendered during the postpartum period and is not to be billed separately for each individual visit.

The *CPT Assistant, August 2002* defines postpartum care as beginning after delivery, and it includes the recovery room visit, any uncomplicated inpatient hospital postpartum visits, and uncomplicated outpatient visits.

Postpartum services that are **not** reported separately include the following:

- Exploration of uterus
- Episiotomy and repair
- Repair of cervical, vaginal, or perineal lacerations
- Placement of a hemostatic pack or agent

Services that can be performed during the postpartum period and that are reported separately in addition to the appropriate code for the delivery services include the following:

- Management of inpatient or outpatient medical problems not related to pregnancy
- Management of inpatient or outpatient medical problems or complications related to pregnancy
- Management of surgical problems arising in the postpartum period
- Tubal ligation (CPT code 58605)



Frequently Asked Questions About 1099 Forms

- 1. If I am tax exempt, why did I receive a 1099 form?
 - All providers receive a 1099 form regardless of exempt status.
- 2. What makes a provider tax exempt?
 - 24-hour personal care and residential-habilitation service providers are exempt if:
 - Services are rendered in the provider's home.
 - A state agency (e.g. DHW) is paying for the services.
 - The participants require a high level of care and supervision and without the personal care of residential habilitation services, the participant would need care in a nursing home or intermediate care facility for the mentally retarded.
 - The Medicaid payment is only for the care provided and not for room and board.
- 3. Do I have to file my 1099 if I am tax exempt?
 - Yes. Everyone must file the 1099. For more information, please go to the IRS
 Web site, www.irs.gov, search for Publication 17, page 91. Refer also to the
 article in this newsletter "Internal Revenue Service Exempt Status for Personal
 Care and Residential-Habilitation Service Providers" on page 7.

Top Three Reasons for Returned Paper Claims

- CMS-1500 billed without correct qualifier
- Claim or EOB are illegible
- Claim and EOB information do not match



EDS Contact Information

◆ MAVIS

Phone: (800) 685-3757 (208) 383-4310

- ◆ EDS Correspondence PO Box 23 Boise, ID 83707
- ◆ Medicaid Claims PO Box 23 Boise, ID 83707
- ◆ PCS & ResHab Claims PO Box 83755 Boise, ID 83707

EDS Fax Numbers

- ◆ Provider Enrollment (208) 395-2198
- ◆ Provider Services (208) 395-2072
- ◆ Participant Assistance Line Toll free: (888) 239-8463

Provider Relations Consultant Contact Information

♦ Region 1

Prudie Teal 1120 Ironwood Dr., Suite 102 Coeur d'Alene, ID 83814

Phone: (208) 666-6859 (866) 899-2512 Fax: (208) 666-6856 EDSPRC-Region1@eds.com

♦ Region 2

Darlene Wilkinson 1118 F Street PO Drawer B Lewiston, ID 83501

Phone: (208) 799-4350 Fax: (208) 799-5167 EDSPRC-Region2@eds.com

♦ Region 3

Mary Jeffries 3402 Franklin Caldwell, ID 83605

Phone: (208) 455-7162 Fax: (208) 454-7625 EDSPRC-Region3@eds.com

Region 4

Angela Applegate 1720 Westgate Drive, # A Boise. ID 83704

Phone: (208) 334-0842 Fax: (208) 334-0953 EDSPRC-Region4@eds.com

Region 5

Trudy DeJong 601 Poleline, Suite 3 Twin Falls, ID 83303

Phone: (208) 736-2143 Fax: (208) 736-2116 EDSPRC-Region5@eds.com

Region 6

Abbey Durfee 1070 Hiline Road Pocatello, ID 83201

Phone: (208) 239-6268 Fax: (208) 239-6269 EDSPRC-Region6@eds.com

♦ Region 7

Ellen Kiester 150 Shoup Avenue Idaho Falls, ID 83402

Phone: (208) 528-5728 Fax: (208) 528-5756 EDSPRC-Region7@eds.com

Idaho MMIS Transition News: Idaho MMIS Web Site

The new Idaho Medicaid Management Information System (MMIS) Web site is here! Join our Web site open house at **IdahoMMIS.dhw.idaho.gov**. Helpful information is posted to the Web site so bookmark the page and plan to visit regularly.

What does this mean to you?

Now is a great time to explore the Web site and learn about how the new claims payment system will integrate with your billing processes. You will find answers to frequently asked questions (FAQs) on the new Idaho MMIS. You can track the system implementation and make proactive adjustments in your office procedures if needed. This Web site is the best source of current Idaho MMIS information.

Worried you might miss something important?

Not to worry, you will receive several letters in the coming months regarding the Provider Record Update and trainings. Watch your mail; these letters contain important information that is vital to successfully updating your provider record. You will also get information about upcoming trainings, and how to ensure you reserve a spot in the training. Please make sure you read the letters carefully so the move to the new Idaho MMIS is simple and successful.

We are planning for extensive statewide outreach to include face-to-face group and individual training as well as online training opportunities. Training materials will be available on the Web and trained staff will be available by phone and e-mail to support providers through the provider record update process.

We are very excited about the new Idaho MMIS! Look for more information about the Web site and the Provider Record Update over the next few months, and continue to watch the *MedicAide* newsletter for information that's important to you.

Do you have questions? Please e-mail us at **IdahoMMIS@dhw.idaho.gov**. MMIS = Idaho Medicaid claims processing system.

Pharmacy Providers

Did you know that the prescribing provider information is required on all claims submitted to Idaho Medicaid? Pharmacies can use either the state license or the National Provider Identifier (NPI) of the prescribing provider when submitting claims. During normal business hours the prescriber information *must* be obtained and submitted with the claims. After normal business hours or on the weekends, the pharmacy may use the current date as the prescriber number if the correct information is unavailable or not in the Medicaid system. Pharmacies that submit claims using the date rather than the prescriber's NPI or state license number must resubmit the claim with the correct prescriber information within three business days.

Prescribers who do not participate in Idaho Medicaid or practice outside the state can still be added to the Medicaid records for prescriptions. Pharmacies may request a prescriber be added to the Medicaid records for future prescriptions by calling EDS at (800) 685-3757 (toll free) or (208) 383-4310, or by faxing the information to (208) 395-2198. Pharmacy providers will need the prescriber's complete name, address, phone number, NPI if available, and state license number. The electronic version of the prescriber list with state license numbers is available on the Medicaid Pharmacy Web site at www.healthandwelfare.idaho.gov, which links to the Pharmacy Program. The Pharmacy Provider Handbook discusses this information in section 3.1.5.

To All Providers: It's PERM Time Again

The Improper Payments Information Act of 2002 directs federal agency heads, in accordance with the Office of Management and Budget (OMB) guidance, to annually review its programs that are susceptible to significant erroneous payments and report the improper payment estimates to Congress. The OMB identified the Medicaid and the State Children's Health Insurance Program (SCHIP) as programs at risk for significant erroneous payments.

The Centers for Medicare and Medicaid Services (CMS) will measure the accuracy of Medicaid and SCHIP payments made by states for services rendered to recipients through the Payment Error Rate Measurement (PERM) program. Under the PERM program, CMS will use national contractors to measure improper payments in Medicaid and SCHIP. The Lewin Group will provide statistical support to the program by producing the claims to be reviewed and by calculating Idaho's error rate. Livanta LLC will provide the documentation/database support by collecting medical policies from the state and by collecting medical records from providers.

Medical records are needed to support medical reviews that the review contractor will conduct on the fee-for-service Medicaid and SCHIP claims to determine if the claims were correctly paid. If a claim is selected in the sample for a service that you rendered to either a Medicaid or SCHIP recipient, Livanta LLC will contact you for a copy of your medical records to support the medical review of the claim. These contacts will begin in January 2009.

This is Idaho's second PERM review and some providers will remember being contacted for records in 2007. Since the sample is purely random, some of the same providers may be contacted again; and some providers will be contacted for the first time.

Understandably, providers are concerned with maintaining the privacy of patient information. However, providers are required by Section 1902(a)(27) of the Social Security Act to retain records necessary to disclose the extent of services provided to individuals receiving assistance and furnish CMS with information regarding any payments claimed by the provider for rendering services. The furnishing of information includes medical records. In addition, the collection and review of protected health information contained in individual-level medical records for payment review purposes is permissible by the Health Insurance Portability and Accountability Act of 1996 and implementing regulations at 45 Code of Federal Regulations, parts 160 and 164.

Generally, to obtain medical records for a claim sampled for review, Livanta LLC will contact the provider to verify the correct name and address information and to determine how the provider wants to receive the request(s) (facsimile or US mail) for medical records. Once the provider receives the request for medical records, they must submit the information electronically or in hard copy within 60 days. Livanta LLC and possibly State officials will follow up to ensure that providers submit the documentation before the 60-day timeframe has expired. These contacts will begin in January 2009.

It is important that providers cooperate with sending in all requested documentation because no response or insufficient documentation will count against the State as an error. Past studies have shown that the largest cause of errors in the medical reviews is no documentation or insufficient documentation. Therefore, information should be sent in time and should be complete. If Livanta LLC requests medical records from you and you have questions, call Livanta LLC at (301) 957-2380 or DeeAnne Moore at (208) 364-1947.

Atypical Antipsychotics Added to Idaho Medicaid Preferred Drug List

Effective immediately, Idaho Medicaid is implementing the Preferred Drug List (PDL) for the Atypical Antipsychotics. The state is adopting recommendations of the Pharmacy and Therapeutics (P&T) Committee at the time of its original clinical review of this drug class. The Committee will review the class again as part of the August 2009 TOP\$ review. The addition of this class to the PDL is in accordance with the governor's mandated 1% budget cut (Executive Order 2008-03). As always, careful consideration has been, and will continue to be, given to ensure Idaho Medicaid participants have access to clinically efficacious, safe, and cost-effective medications.

Internal Revenue Service Exempt Status for Personal Care and Residential-Habilitation Service Providers

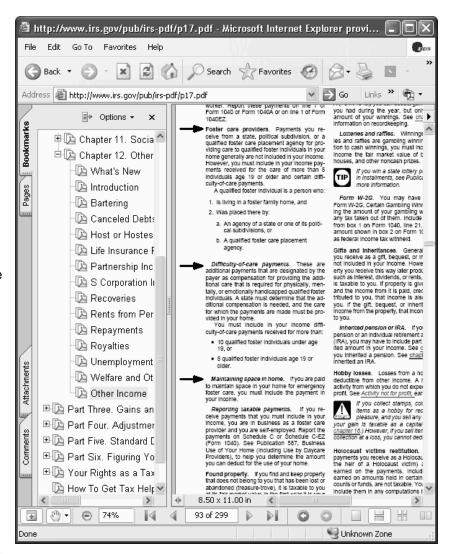
You can use this notice to submit to the Internal Revenue Service (IRS) for your taxes.

In May 2004, the Idaho Department of Health and Welfare (IDHW) met with the Boise IRS to discuss the tax status of 24-hour personal care and residential-habilitation service providers. The current ruling is that IDHW payments to these providers meet the following tax exempt criteria in Section 131 of the IRS Code:

- Services are provided in the provider's home.
- A state agency, IDHW, is paying for the services.
- The individuals require a high level of care and supervision. Without the personal care or residential habilitation services, the individual would need care in a nursing home or an intermediate care facility for the mentally retarded. In addition, the Medicaid payment is only for the care provided and not for room and board.

For more general tax information go to www.irs.gov. To read an explanation in layman's terms in regards to exempt status for personal care and residential-habilitation service providers, go to http://www.irs.gov/pub/irs-pdf/p17.pdf, page 91 of IRS Publication 17, and refer to "Foster Care Providers," "Difficulty-of-Care Payments," and "Reporting Taxable Payments."

It is possible that the IRS might not have all the information on the care component. This letter may provide clarification for the IRS. Please consult the IRS or a professional tax preparer if



Keep Your Staff Up-to-Date on Accurate Claims Processing

EDS' Provider Relations Consultants (PRCs) continue to offer a series of provider workshops. Each consultant conducts a 2-hour regional workshop every two months to help providers in their region.

The topics include the following:

- Learn more about National Provider Identifier (NPI)
- General Medicaid Billing
- Provider Resources
- Using PES Software
- CMS-1500

The next workshop is scheduled for all regions on Tuesday, January 13, 2009, from 2 to 4 p.m. Region 5 will be Tuesday, January 6, 2009. EDS provides these training sessions at no cost to providers, but space is limited so please pre-register with your local PRC. Phone numbers for the PRCs are listed in the sidebar on page 5.

EDS PO BOX 23 BOISE, IDAHO 83707 PRSRT STD U.S. POSTAGE PAID BOISE, ID PERMIT NO. I





January Office Closures

The Idaho Department of Health and Welfare and EDS offices will be closed for the following holidays:



New Year's Day Thursday, January 1, 2009

Martin Luther King Day (DHW only) Monday, January 19, 2009



Reminder that MAVIS

(the Medicaid Automated Voice Information Service) is available on state holidays at: (800) 685-3757 (toll free) or (208) 383-4310 (Boise local) MedicAide is the monthly informational newsletter for Idaho Medicaid providers.

Editor: Carolyn Taylor, Division of Medicaid

If you have any comments or suggestions, please send them to:

taylorc3@dhw.idaho.gov

or

Carolyn Taylor DHW MAS Unit PO Box 83720 Boise, ID 83720-0036

Fax: (208) 364-1911